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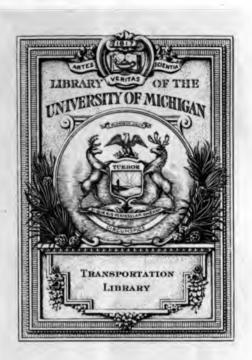
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A MEMORIAL

TO THE

LEGISLATURE OF THE STATE OF NEW YORK,

UPON

THE EFFECTS OF THE PASSAGE

OF THE

TRADE OF THE WESTERN STATES,

THROUGH THE

WELLAND AND OSWEGO CANALS,

UPON THE

Income of the State and the Interests of its Citizens.

ROCHESTER:
PRESS OF E. SHEPARD, 201 STATE STREET.
1845.

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Transports*

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MEMORIAL, &c.

To the Legislature of the State of New York, in Senate and Assembly convened:

A Convention of Delegates from several of the western Counties of this State was held in the City of Rochester, January 29th, 1845 to consider of the effect of the passage of the trade of the Western States through the Welland and Oswego Canals upon the income of this State and the interests of its citizens. The Convention was numerously attended by a highly respectable body of citizens, representing the producing and industrial classes, and a mass of facts bearing upon the subject which occasioned the meeting, was submitted to its consideration. The result of the deliberations of that Convention are embraced in the following Resolutions, which were unanimously adopted as expressing the views of its members:

Resolved — That as the people of this State constructed the Erie canal as a channel for the trade of the Western States, and in reasonable expectation that the tolls upon that trade would contribute towards paying the expense of its construction, they cannot, in the present financial condition of the State, prudently permit such trade to use any part of the artificial channels made by this State without paying tolls upon the whole length of the line, originally constructed at great expense for its passage.

Resolved—That the construction of the Welland canal, by a foreign government, has opened a channel for such Western trade, by the use of which, and a portion of our own artificial communication, such trade evades the payment of tolls upon 155 miles of our own canals, to the injury of the revenue of

this State and the interests of its citizens.

Resolved — That from the facts submitted to this Convention, we are satisfied that the loss of tolls by this diversion the past year, amounted to at least the sum of \$100,000, while

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the Welland canal is still incomplete; which fact contains a startling admonition that this loss must greatly increase every succeeding year, when this foreign channel shall be capable of

passing vessels of much greater burden.

Resolved — That as a question of finance this subject demands the serious attention of our citizens, as the loss being prevented, the whole legitimate income of the canal would be secured to the State, and would diminish and finally remove the necessity of taxation for the payment of the canal debt.

Resolved.—That as an incident, it injuriously affects the whole agriculture of the State, by introducing the agricultural products of the Western States to our own markets through artificial channels made by ourselves, upon more beneficial terms, and at less expense than is charged upon the agricultural products of our own State.

Resolved — That this is not a subject of mere local interest, or simply affecting rival towns; but that it affects the interest of every tax payer, farmer and man of business in the State,

and its whole industry, property and business.

Resolved — That the only remedy to be found is by equalizing the tolls upon the trade of the Western States, so that by whatever artificial channel of this State it may pass, it

shall be subject to the same charge.

Resolved — That the State of New York has a perfect right to prescribe the terms upon which the artificial channels of trade constructed by herself may be used by our citizens and others, and that there is no injustice while there is an obvious necessity of imposing such discriminations that the products of the Western States may not be allowed to pass upon our own canals upon more favorable terms than the products of our own State.

Resolved — That in the present condition of the finances of the State, the policy suggested by practical wisdom is to charge the trade of the Western States passing to and from tide Water by way of the Oswego and Welland canals, with the same toll as if it passed through the whole length of the

Erie canal.

Resolved — That this mode of applying the remedy would, by increasing the income of the canals, sooner relieve us from the necessity of taxation, while it would equally with the other mode of reducing the tolls, place the agricultural products of the Western States upon the same footing as to transportation to market, with those of our own State.

Resolved — That the application of this remedy will not, in the opinion of this Convention, at the present time materially diminish the amount of western trade passing through our own artificial channels to market, while the increased income to be derived from it will relieve us the sooner from the burden of debt, and enable us to compete successfully with rival routes for such trade, by diminishing if necessary our own rate of tolls hereafter.

Resolved —That necessity of some legislative action to counteract the effects of the British Enterprize is apparent from all the facts submitted to this Convention, and that the time has come for a discrimination to be made in the tolls upon property passing through the Oswego canal, between that designed for the territory surrounding Lake Ontario, and that passing through to the Welland canal and from the Western States.

Resolved — That the consideration of this subject be pressed upon the attention of the Legislature, and that Memorials be prepared for circulation and signature, through which the people may signify to the Legislature their desire for relief upon a subject which deeply affects the income of the State and the interests, property and business of its citizens.

Resolved — That the proceedings of this Convention be transmitted to the Governor of the State, with a request that he submit the same to the Legislature.

Though the above Resolutions develope with clearness and perspicuity a general outline of the subject, yet the Convention thought proper to appoint a Committee to prepare on its behalf a Memorial to the Legislature which should present, in something more of detail, the facts and arguments which led the Convention to the conclusions adopted by them. In discharge of such duty, this Memorial is prepared and submitted to the consideration of the Legislature.

The enterprize of constructing an artificial navigable communication between the waters of the great western Lakes and those of the Hudson River, was alike bold, magnificent and fortunate. Its leading object was to secure to this State the benefits of the trade with the vast and fertile territory accessible by this chain of Lakes and their tributary streams. Though the States of this territory were either then in their infancy or not in existence, yet it was foreseen that future teening millions would throng its soil and fill its channels of trade with a vast and active commerce. The saga-

cious projectors of this enterprize, after careful examination, accurate explorations and mature deliberation, arrived at a conclusion favorable to the direct connection with the waters of Lake Erie, instead of those of Lake Ontario. The falls of Niagara then seemed to present an insurmountable barrier to any navigable access to the chain of Lakes farther west, and a connection with Lake Ontario only would but imperfectly

satisfy the great object of the enterprize.

After much and earnest opposition, this determination was sanctioned by the people of the State of New York, and a navigable canal to connect the waters of the Hudson with Lake Erie was authorized and commenced. Even after its completion to the Seneca River, a new and vigorous effort was made to divert its course and secure its termination at Lake Ontario. This, like previous efforts of the same kind, failed of success; and the Erie canal was completed at great expense to Buffalo. That work, whose commencement in 1817 was looked upon with doubt and misgiving, had its successful completion in 1825, celebrated with triumph and pride. glancing at these incidents of history, we think we are fully justified in saying that the Erie canal was adopted and constructed by the people of this State, as the main channel for the trade with the Western States. Another route had been presented, urged and rejected, and this deliberately adopted to avoid the obstacle presented by the Niagara Ridge.

Those who had pressed with the most zeal the adoption of the Ontario route, upon their failure to attain this object, became applicants to the Legislature for the construction of a lateral canal to connect the Erie canal with the waters of Lake Ontario. This application was not now urged as it formerly had been, on the ground that it indicated a feasible and cheaper route for the western trade. That question had been already decided. The Legislature was now solicited to undertake the proposed enterprize, on the ground that the construction of a canal of moderate length, at a small comparative expense, would open an avenue to the trade of the northern counties of this State and all the territory bordering upon Lake Ontario; accommodate the inhabitants of a considerable region of country and increase the revenue of the Erie canal. As compared with the principal enterprize, the present was in its features reduced to that of a mere local project. It was at that time held to be a conceded fact that this State could not, with a due regard to its own interest

and to the fidelity which was due to its creditors, on account of the large sums borrowed for our works of internal improvement, think for a moment of constructing a lateral canal which should be the means of drawing revenue from its principal and more expensive structure. Even at that day some were sagacious enough to fear that the spirit of enterprize which had then began to develope itself so strikingly, would at no distant period penetrate the barrier which separated the waters of lakes Erie and Ontario, and open a cheaper avenue to the trade of the Western States, through such new channel and the proposed Oswego canal, and thus deprive the more expensive structure of its expected revenue. This was urged, and strongly urged, as an objection to the new project, and the glaring impolicy of constructing a shorter and cheaper channel by which the western trade might by possibility shun the more expensive one, to the great detriment of the State which had constructed both, was forcibly presented. The advocates of the measure, however, were successful in representing that any project for connecting the waters of the two Lakes by a navigable communication was wholly chimerical, as indeed it then seemed to be; and that the State could reasonably apprehend no danger from any such improbable contingency. It was plausibly and properly urged that the construction of the Oswego canal was desired, not for the purpose of diverting any portion of the western trade, but for the purpose of accommodating the counties bordering on Lake Ontario, not benefited by the Erie canal, and securing for the advantage of that canal and the State the trade of Lake Ontario. It was argued too that as the State had expended vast sums upon the main canal to the benefit of particular sections of the State, it should, in a just and generous spirit towards other sections not so directly benefited, make other structures for their local accommodation, as its resources would permit. To obviate the objections of those who apprehended any future possible danger of the deviation of the western trade by the construction of the Oswego canal, it was said that such apprehensions were idle; but if any such improbable contingency should happen as the connection of the waters of lakes Erie and Ontario by a navigable communication, the Legislature of this State would always have it in their power to avoid any injurious consequences to the revenue of this State by such discrimination in the tolls upon the Oswego Canal as to secure to the main channel the possession

of the western trade. These representations and arguments prevailed, and an appropriation was made towards the construction of the Oswego canal by act of April 20, 1825, passed before the final completion of the Erie canal. The work upon the Oswego canal was commenced in the year 1826, and that canal of thirty-eight miles in length was completed in the year 1828. This was the commencement of a series of lateral canals authorized from time to time as branches of the principal canal, and to penetrate portions of the country not traversed by the main artery. It was a generous and liberal policy on the part of the State thus to endeavor to extend the benefits of a great system of public improvement as widely as possible. Such lateral canals were authorized in no expectation that the income to be derived from them would defray the expense of their construction, but these enterprizes were undertaken for the purpose of accommodating the domestic or home trade of different sections of the State, which might swell to some extent the business and income of the main channel. If these lateral canals, as independent enterprizes should pay for their own repairs and a portion of the interest of their cost, it was all that was expected of them, and the State would look for its reward in the extension of the benefits of the canal system to secluded sections of the State, and in the increase they would furnish to the commerce and income of the principal canal. Certainly the State would not have undertaken any one of these enterprizes if the Legislature could for a moment have believed or reasonably feared that their completion would have diverted from instead of adding to the trade and income of the great and original work, upon which so much money had been expended.

We see from this sketch that our canal system as a whole has a harmony, propriety and consistency, recognized by every act of State legislation in regard to it or any portion of it. The leading object of the original enterprize was to secure the trade of the great and growing west; and to effect this purpose the Erie canal was constructed from Albany on the Hudson River, three hundred and sixty-four miles, to Buffalo on Lake Erie. Subsidiary and incidental to this as the principal work, the lateral canals were from time to time undertaken, to penetrate other sections of the State; accommodate their domestic trade and add to the business of the main channel. The income of the principal work, it was expected, would not only sustain itself and defray the expense of its

construction, but support to a great extent the burden of all the subsidiary structures. The system, as a whole, is made to depend upon the main channel for the support of the whole. Hence, we arrive at the conclusion that the Erie canal was constructed to Lake Erie as a channel for the trade of the Western States; the lateral canals for the domestic trade of the different sections penetrated by them, and the Oswego canal as a channel for the trade of Lake Ontario and the ter-

ritory accessible by its waters.

Since the completion of the Erie and Oswego canals, an enterprize has been undertaken under the auspices of another and foreign government, calculated to mar the harmony of our own canal system, and unless guarded against, to impair in no inconsiderable degree the income which the State could fairly look to derive from it. That barrier to a navigable communication between the two Lakes, which was supposed to be impassable, has been broken through:—that obstacle, supposed to be insurmountable, has been overcome, and the apprehensions which the opponents of the Oswego canal entertained at the time its construction was authorized, have been realized. The Welland canal of twenty-six miles in length has been constructed upon Canadian territory, connecting the waters of the two Lakes by a navigable communication of large dimensions.

This enterprize was commenced some years since by a foreign chartered Company: it was subsequently aided by Colonial legislation, and though by the efforts of both it was brought to such a state of completion that some business was done upon it and some property passed through it; yet the amount was too trifling to excite attention or to effect any considerable diversion of the trade from our own canal route. Various misfortunes, and a deficiency in pecuniary means, prevented it for a long time from being brought to that state of perfection as to make it any considerable thoroughfare of

The British Home Government subsequently took the work under their own immediate protection, and by the liberal application of funds which the colonists themselves were too feeble to supply, the enterprize, which had languished so long, was vigorously prosecuted, and every energy is now put forth to effect its completion. Its capacity for passing vessels of large burden was incomplete during the year 1844; but the vigor with which it is prosecuted, assures us that its capacity will be greatly increased upon the opening of the navigation for the year 1845, and still farther in the spring of 1846, when it is contemplated that the whole work with all its locks will be entirely completed. At that time all the locks will be 150 ft. long, 26½ feet wide, and 8½ feet deep on the water sills, and capable of passing vessels of the proper construction of five hundred tons burden. Indeed, almost any vessel that navigates the Lakes will then be able to pass by this canal, except large steamboats, which will be prevented by their guards.

That kind of steamboats called Propellers, the use of which is increasing in all our waters, will be able to pass through this canal, and are permitted to navigate it by steam, and thus

save the expense of towing.

Incomplete as this structure was in the year 1844, the following statement, taken from the published account of its business, will exhibit the property which passed through that canal in that year:

•	American to Ame	rican ports, up.	
Beef and Pork,	30 bbls.	Salt,	196,050 bbls.
Coal,	4521 tons.	Castings,	721 tons.
Iron,	1,197 lbs.	Merchandise,	8,521 t. 9 cwt.
	American to Amer	rican port s, down.	
Boards,	296,765 feet.	Pipe Staves,	133,130
Beef and Pork.	16,3474 bbls.	W. I. "	279,621
Ashes,	12,5584 bbls.	Flour,	90,925 bbls.
Whiskey,	780 bbls.	Wheat,	1,629,544 bush.
Corn,	10,789 bush.	Coal,	175 tons.
Iron,	100 tons.	Castings,	4 tons.
Tobacco,	9 tons.	Merchandise,	127 tons 7 cwt.
	British to Bri	tish ports, up.	
Boards	260,400 feet.	Timber,	10,861 feet.
Beef and Pork,	680 bbls.	Flour,	653 bbls.
Ashes,	22 casks.	Salt,	10,971 bbls.
Whiskey,	52 bbls.	Wheat,	28,215 bush.
Iron,	363 tons.	Merchandise,	2,396 tons.
	British to Brit	ish ports, down.	
Boards,	3,354,763 feet.	Timber,	462,307 feet.
Pipe Staves,	470,981	Beef and Pork,	2,108 bbls.
₩. I. "	211,106	Flour,	118,799 bbls.
Ashes,	1,035 casks.	Whiskey,	92 bbls.
Wheat,	154,527 bush.	Corn,	379 bush.
Castings,	43 tons.	Tobacco,	130 tons.
Merchandise,	20 tons.		
	American to Br	itish ports, up.	
Salt,	5,865 bbls.	Coal,	50 tons.
Merchandise,	84 tons.		
	American to Brit		
Boards,	39,204 feet.	Pipe Staves,	3,000
Beef and Pork,	22,820 bbls.	W. I. "	331,592
Flour,	44,839 bbls.	Ashes	97 bbls.
Salt,	609 bbls.	Corn,	62,104 bush.
Wheat,	299,305 bush.	Coal,	1,001 tons.
Castings,	18 tons.	Merchandise,	90 tons.

By comparing the amount of property passing from American ports west of the Welland canal to American ports on Lake Ontario with the property received at Oswego from the lake; and by comparing the merchandise shipped from Oswego on the Lake with the merchandise passing through the Welland canal from American ports on Lake Ontario to American ports west of that canal, it will be perceived that Oswego is the American port on lake Ontario which received and shipped almost the entire amount of property which passed through the Welland canal. For instance, there was sent by the way of Oswego to the Western States, 9648 tons of merchandise, of 2000 lbs. to the ton. There passed through the Welland canal from American ports on Lake Ontario to American ports west, 8521 tons of merchandise of 2240 lbs. each, equal to 9543 tons of 2000 lbs., and to British ports 94 tons, making an aggregate of 9637 tons, nearly identical with the amount shipped from Oswego.

From this we infer without doubt or hesitation that so much of the trade with the Western States, which otherwise would have passed through the whole length of the Erie canal, has passed through the Welland and Oswego canals. As the distance from Oswego to Albany by our own canals is but 209 miles, while the distance from Buffalo to Albany is 364 miles, it follows that the trade of the Western States, which passes through the Welland and Oswego canals, evades the pay-

ment of tolls upon 155 miles of our own canals.

Thus it has happened that the Oswego canal, constructed for a local and limited purpose, has by the aid of the Welland canal, constructed within a foreign territory, and by a foreign government, been the means of draining the Erie canal of a large portion of the rich income which would otherwise have been derived from it. If this consequence had been clearly foreseen and appreciated, it is certainly not assuming too much to say that the Legislature would never have authorized the construction of the Oswego canal, unless under such restrictions as would have taken from it the power of diminishing the income from the other public works of the State.

The amount of the loss which the State has sustained in the year 1844, by the passage of this trade through the Welland and Oswego canals, may be easily ascertained by calculating the tolls on the property upon 155 miles of canal which it would otherwise have paid on passing through the whole length of the Erie canal. It will not be necessary to stop to calculate the amount nicely, but it is desirable that the Legislature should know that the amount is large. An approxima-

ton to the amount may be briefly attained.

The following table shows the amount of property coming from other States, shipped at Oswego; and of wheat and flour shipped at that place, and of merchandise passing by way of that port to Western States, for five years:

-			•
Year.	Products coming from other States. Forest, Agri. & Manufactures.	Wheat and Flour shipped at Oswego.	Merchandise going from Oswego to Western States.
•	Tons.	Tons.	Tons.
1840	6,579	15,075	3,192
1841	13,988	16,677	5,489
1842	9,217	14,338	3,538
1843	17,940	25,858	4,537
1844	37,559	42,293	9,648
Canal tolls	collected at Osw	rego in 1844	\$133,544 3 2
"	" "	" 1843,	79,089 13
	Increase,		\$54,455 19
If the prov	erty which paid	this incressed	
ii uie prop	ad passed throug	h the whole ler	ath of the Price
ear alone, n	au passeu ilitoug	if the whole let	840.385
anai, it wou	ld have paid an a	f lostlos	\$40,300
	on the increase o		ie.
	business besides	this increase	
we must add			- 15,000
Tolls on 1	96,050 bbls. sal	t, which pass	ed
hrough the \	Welland canal,		- 20,969
Tolls on 9	,648 tons of me	erchandise whi	ch ·
	the Welland ca		- 26,917
Loss on to	lls to the State,		\$103,271
	her smaller arti	cles might be	

Various other smaller articles might be adduced, which would swell the amount of loss considerably.

The proportion of loss to the trade going west may be seen from the fact that while there was shipped from Buffalo to the Western States in 1844, of merchandise 32,747 tons, there was at the same time shipped from Oswego to the Western States 9648 tons; showing that more than one-quarter, and nearly one-third of the merchandise for the Western States evaded the payment of tolls upon 155 miles of our canals. Another circumstance will indicate the extent of the diversion of the trade going east. Though the business of the canals has greatly increased for the year 1844 over previous years, yet the tolls collected at Buffalo, which in

1843, were -	-	\$505,318 90
Were in 1844, but	-	501,683 47
Showing a diminution of	£	#2 6 25 /2

While at Oswego the increase is \$54,455 19; and which tolls if paid at Buffalo with the added tolls upon 155 miles of canal would have exhibited an increase at Buffalo of more than \$90,000 instead of a diminution. These facts show that the diversion of trade the last year was extensive, and we are certainly safe in setting down the loss to the State on account of such diversion, at \$100,000; and this loss has been sustained while the Welland canal is still an incomplete and imperfect structure. That canal will have a much greater capacity during the present year, when we may reasonably expect that this loss will be doubled, or reach to the amount of \$200,000, and the year after, when the Welland canal shall be entirely completed, that it will amount to \$300,000; and in a very few years, we have every reason to apprehend, that it may amount to half a million of dollars.

The State may well pause upon the contemplation of this result, present and apprehended, of the passage of the trade of the Western States through the Welland and Oswego canals, upon her own income, upon which she relies to redeem

her faith pledged to confiding creditors.

If the State was unembarrassed in its financial condition and free from debt, this diminution of income by such diversion in the route of trade merely, and while the whole income continued so large, might perhaps be deemed of small importance to the State at large. As long as the State received sufficient income for its purposes and secured the Western trade, it might not perhaps be of very material importance to the State, as a whole, by what channel such trade passed, or that the increase was not as large as such trade could be made to produce. But unfortunately the State is not in such an unembarrassed situation as to its financial condition, or so free from debt as to render the subject of income from her public works a matter of indifference. On the contrary, the financial condition of the State is precisely such as to make it an object of the last importance to secure for its own benefit all the income which her public works can reasonably yield. The State is not in a situation to permit or suffer any loss of income, which can possibly be avoided. A large debt has been incurred by the people of this State in the prosecution of their works of internal improvement, which they are by every obligation of morality, honor and justice bound to pay. is a mortgage upon the character and good faith as well as upon the property and industry of the State, and it is a mortgage which must and will be redeemed by the people themselves.

Every man in the State feels the force of the obligation to meet this debt in the most perfect good faith; those who administer its affairs feel the force of the same obligation resting upon them, and it has been their policy to devote the whole income of our public works to the payment of such They have thought it necessary to go even further, and for the purpose of providing ample pledges for the pavment of such debt and the interest thereof, and to preserve the public faith unimpaired, resort has been had to taxation upon the property of our citizens. All the available probable income from our public works was not deemed a sufficient guarantee to the creditors of the State, and it was thought necessary to add to it, for the preservation of the honor and credit of the State, the further security afforded by the taxation of its citizens. A prudent Legislature, careful as they necessarily would be of the interests of the people, would not resort to taxation for a light cause, or in any case but one of clear necessity, and having imposed taxation they will guard carefully the other resources of the State, to make them as productive as possible, and thus relieve the people at the earliest practicable moment from the burden of taxes. Precisely such is the present situation of affairs. Taxation has been made necessary by our public improvements. The income from our public works is the only resource to which we can look for relief from such taxation, and a prudent Legislature will guard and husband the income arising from this source with added vigilance, and permit no part of it to be diverted or lost which can be fairly and properly secured. It is apparent that if any considerable portion of this income is permitted to be lost or diverted, taxation must not only be perpetual but increased. While on the other hand, if the whole amount of such income can be realized, and particularly if that which belongs legitimately to the Erie canal can be secured, its increasing amount, from the yearly increase of the great western trade, will shortly furnish sufficient security to the public creditor, and leave to the Legislature the grateful task of relieving the people wholly from the burden of taxa-In this aspect of the question, the subject interests every citizen of the State. If by the diversion of the trade of the Western States through the Welland and Oswego canals, the loss to the income of the State was last year \$100,000 if it increases the present year to \$200,000, the next year to \$300,000, and so on to the extent of half a million of dollars or more annually, the people will be called upon to make up this loss to the treasury of the State, by annual taxation.— Whereas if, on the other hand, this diversion is prevented and loss avoided, the necessity of any taxation to preserve the credit or pay the debts of the State will in a brief space of time be removed. This question is not therefore, at least in this aspect of it, a local one; but affects every tax-payer in the State, and the whole property and industry of its citizens, and commends itself to the serious consideration of those administering its affairs.

But there is another aspect of the question which more immediately affects the interests of the Western Counties, and which we should fail in our duty to those whom we represent if we omitted to suggest. By this diversion of the trade of the Western States through the Welland and Oswego canals, there has resulted a difference between the expense of transporting the agricultural products of the Western States and the expense of transporting the like products of a portion of our own State to our own markets in favor of the farmer of the Western States and against our own citizens. This difference is produced by the use of the route thro' the Welland and Oswego canals for the transportation of western produce. The following statement shows the difference in tolls alone:

		cts. 1	nille	tenths.
Tolls from Buffalo to Albany on a bushel of wheat, 364 m	iles,	9	8	2
" from Oswego to Albany, 209 miles, -	•	5	6	4
Difference,	-	4	1	8
" on a barrel of flour from Buffalo to Albany		35	3	8
" from Oswego to Albany, -	-	20	2	8
Difference,		15	1	0
·			cts.	mills.
" on a ton of 2000 lbs., from Buffalo to Albany,	•	Š	27	6
" " from Oswego to Albany, -		1	88	θ
Difference,	-	1	39	6
on a ton of merchandise, from Albany to Buffalo,		6	55	2
" " from Albany to Oswego,	•	3	76	2
Difference,		2	79	0

The following table will show the difference in a few leading articles, between the Oswego route and the several places named, being the difference in favor of the Oswego route:

	Miles from Albany.	On bushel of wheat.	On bbl. of flour.	On ton of produce.	On ton of Merchandise.	
Buffalo, Lockport, Albiea, Breekport, Bochester, Palmyra,	364 333 304 269 269 240	cts. m. tenths. 4 1 8 3 3 4 2 5 8 2 1 6 1 6 2 0 8 4	cts. m. tenths 15 1 0 12 0 9 9 1 6 7 8 1 5 8 6 3 0 2	\$ ets. m. 1 39 6 1 11 6 0 86 0 0 72 0 6 54 0 0 28 0	\$ cti. m. 2 79 0 2 23 2 1 71 0 1 44 0 1 06 0 55 8	

From these tables it will be seen that the farmer from this State who sends his products to market upon our own canals, from Buffalo, pays more tolls to the State, than the farmer of the Western States, who sends his products to our markets also by our own canals, by an excess against our own citizens, of four cents per bushel on wheat, fifteen cents per barrel on flour, seven cents per hundred pounds on produce, and fourteen cents per hundred pounds on merchandise. This is the extreme difference of the New York farmer who ships at The average difference for the places named in the above table, is not far from three cents per bushel on wheat. ten cents per barrel on flour, four cents per hundred pounds on produce, and eight cents per hundred pounds on merchandise. Another statement of the comparative difference of the cost of transporting property between Albany and Cleveland by the routes of Oswego and Buffalo, will lead us to a result somewhat similar:

Transportation from Cleveland to Albany.

Barrel of flour via Buffalo.		Barrel of flour via Oswego.			
Lake freight.	124 cents.		, 22 cents.		
Storage at Buffalo,	3	Storage at Oswego,	3		
Canal toils,	35 <u>1</u>	Canal tolls,	20 1		
Transportation on canal,	214	Transportation on canal,	124		
-	——72 <u>1</u>	-	573		
	Difference,	144 cents.	_		

Transportation from Albany to Cleveland.

100 lbs. goods via Buffalo.		100 lbs. goods via Oswego.		
Canal tolls,	32% cents.	Canal tolls,	18% cents.	
Canal transportation,	17 3	Canal transportation	10	
Storage at Buffalo,	5 .	Storage at Oswego,	5	
Lake freight,	6	Lake freight and W. cans	ıl, 12 <u>₹</u>	
•	614	· ·	——46 1	
	Difference	15 cents.	•	

These statements show that in any light in which the subject can be examined, there will be the difference of the Erie canal tolls in favor of the Oswego route and against the Buffalo route, or in other words, in favor of the farmer of the Western States and against the farmer of the western part of our own State. The amount of this difference too is not only a premium to the farmer of the Western States, but is precisely the amount of the loss to the treasury of our own State, so that in effect the whole State through its treasury pays this premium.

It will be at once perceived that the particular effect of this difference upon the farmers of our Western Counties is to bring the produce of the farmers of the Western States into injurions competition with the agricultural products of a portion of our

own State. It enables the produce of the Western States to come to our markets through our own artificial channels of communication, upon more favorable terms than are afforded to the farmers of our own Western Counties. It will be conceded that this affects the interests and property of a portion

of our own citizens injuriously.

The article of wheat is the great staple agricultural production of the Western Counties of this State. It is likewise the great staple of the Western States, and it is in this essential article of subsistence that the competition of the Western States with our own Western Counties is most seriously felt. The old County of Ontario, the mother of thirteen counties, and now, with herself, constituting fourteen of the Western Counties of this State, embraces in its territory perhaps the fairest agricultural portion of the State, and by far the most productive of that great staple of subsistence, wheat. The rapid increase of this territory in population. and advance in improvement, affords a subject of gratifying contemplation. Ontario County was erected from Montgomary County in 1789. In 1790 it contained 105 families, and 1081 souls. In 1800, it contained, exclusive of Steuben, set off in 1796, a population of 12,584. The following table will show the population of all its counties, at different periods of five years, for twenty years, viz:

> 1820—239,808 1830—406,858 1825—311,707 1835—499,700 1840—547.969

There were fourteen States, or more than half of all the States of the Union, which had in 1840 a population less than that contained within the territory of the old County of Ontario at the same period. The increase of the population of this territory for twenty years, from 1820 to 1840, was 308,161, or 128½ per cent. The increase of the population of the whole State for the same period was but 77 per cent. From the statistical information collected in taking the United States census of 1840, we are able to learn the amount of the agricultural products of this territory, as compared with similar products of the whole State. Some of the leading items we present:

	-		12,286,418	bushels.
-		-	6,832,426	4.
	-		2,520,068	44
-		•	578,774	**
	•		20,675,847	**
•		•	4,799,860	16
	-	· · ·	· · ·	- 6,832,426 - 2,520,068 - 578,774 - 20,675,847

Corn in State of N. Y., - 10,972,286 bushels.
'in old Ontario County, - 2,528,925 ''
Wool in State of N. Y., - 9,845,295 lbs.
'in old Ontario County, - 2,767,840 ''

It will, by this statement, be perceived that these fourteen Western Counties produce more than one half of the whole wheat raised in the State, while it does not show any want of capacity to produce wool and other agricultural products. But the article of wheat is the great staple, and if she is driven from the production of this article by the favor shown to the producer of the Western States, she may be forced to turn her industry to other objects, and thus come in competition with other sections of the State in their agriculture. we deduct from the 6,832,426 bushels of wheat produced in this territory, five bushels for each soul of the population for their consumption, amounting to 2,739,845 bushels, there will still remain four millions of bushels and upwards as a surplus to send to market. This constitutes the most valuable marketable commodity of this territory. It is this commodity, and the capacity of her soil to produce this commodity, which gives value to her lands. A difference of three cents per bushel upon this article in favor of the producer of the Western States, and against the farmer of the western part of this State, seriously affects the value of the principal crop of our Western Counties. It operates in a double, yea, a three fold manner to the injury of the farmers of our own State.-It not only seriously affects the value of his annual crop, but it reduces the value of the land upon which it is produced. which is the farmer's capital, causing purchasers to overlook his farm, and seek the cheaper lands of the Western States. more favored by this State in aiding their crops to a market. Added to all this, his farm must be taxed to supply the State Treasury, for the deficiency occasioned by this very bounty to producers of the Western States, which has impaired the value of the property thus taxed. The amount of this injury to the farmers of the fourteen Western Counties is very large, and can scarcely be calculated with any accuracy; but the annual loss to them must be at least \$200,000.

The farmer whose wheat crop seeks a market through the Chemung and Crooked Lake canals, cannot fail also to feel a portion of this peculiar loss as the difference in tolls also affects him. It is doubtless true that the industry of the western portion of this State has been stimulated and its improvement advanced by the construction of the Erie and some

of the lateral canals; but that seems to afford no reason why the produce of the Western States should be more favored

by our canal policy than the farmers of our own.

It will thus be perceived that the citizens of the Western Counties of this State have an interest in this question in its financial aspect, in common with their fellow citizens of the whole State. If they have a deep additional interest in the question by reason of its more immediate effect upon their property, business and industry, we feel quite confident that this circumstance will not impair the force of their application to a Legislative body charged with the duty of protecting the interests of whole people.

The injury to the income of the State, and through it to the whole of its people; and the more immediate injury to the business and property of a portion of its citizens, have now been pointed out. It remains only to suggest the remedy, and to call the attention of the Legislature to the measures of relief. The obvious remedy is by equalizing the tolls upon the trade of the Western States, so that, by whatever artificial channel of our State it may pass, it shall be subject to the same charge. This may be done in three modes:

First, by reducing the tolls upon the Erie canal, west of Syracuse, so that the trade with the Western States shall pay no more tolls in passing through the whole length of the Erie canal than it would pay if it had passed through the Oswego

and Welland canals.

Second, by increasing the tolls upon the trade of the Western States, passing through the Welland and Oswego canals, so that it shall be subject to the same charges as if it had passed the whole length of the Erie canal, or,

Third, by a combination of the two first modes, by reducing the tolls somewhat upon the Erie canal, and increasing

it somewhat upon the Oswego canal.

The first mode would still farther reduce the income of the State from her canals instead of increasing it; an effect which is to be deprecated and avoided in the present financial condition of the State, and besides, if such reduction were confined to the trade of other States, it would still give the products of such States the same advantage over those of our own which they now have; and if the reduction were extended to our own domestic trade, the income from the canals would be still more seriously impaired.

The second mode would restore to the treasury of the State all the legitimate income from the canals of which it

has been deprived; supply funds to reduce the State debt, and relieve its citizens from taxation, and would be an effectual remedy to all the evils herein pointed out. The only objection to the application of this remedy consists in the embarrassments that might be encountered in the practical enforcement of the regulations for discriminating tolls, which it would be necessary to make. If these practical difficulties are thought to be too great, a mode of relief intermediate the two measures, and combining in somedegree the features of both, might be devised, which would secure a sufficient income to the State, and protect the interests of the citizens of the Western Counties.

We must leave it to the Legislature in its wisdom to devise such measures of relief as will meet the emergency. But it is apparent that the second mode above indicated would, if practicable in its application, furnish the most complete and efficient relief to the evils suggested.

It may be worth while to endeavor to obviate some objections which may be made to the application of this mode of relief. It is certainly prudent and becoming to consider whether this mode of relief is just and proper in itself. It may be considered that the producers of the Western States have a natural right to seek a market for their products by the cheapest channel of conveyance, and that it is really wrong in this State to oppose any obstructions to such right. However true this position may be as regards the natural channels of communication, such as rivers, lakes, &c., it is not at all true as regards the artificial channels made at great expense by The State has a perfect right to prescribe the ourselves. terms upon which its own citizens and others may use the artificial channels of trade constructed by herself. In this case, the State has constructed at great expense the Erie canal as a channel for the trade of the Western States. She has done this in the reasonable expectation that the tolls upon such trade would contribute towards defraying the expense of such work. The State has constructed another channel at a much less expense for the trade of a particular section. enterprize of a foreign government, there has been constructed still another avenue, within a foreign territory, by which the western trade gets around our first and most expensive work, using still a portion of our canals, but evading the payment of tolls upon a considerable portion constructed for its express use. Now there is evidently nothing unjust in saying to the carriers of such trade, "if you use any portion of our artificial works, you must pay as if you used the whole. We

have expended a large sum of money for your special accommodation, and if you use any portion of our public works, vou must contribute to reimburse us for this expenditure: otherwise we shall be ruined, while you will profit by the very means which caused our ruin."

By the Comptroller's Report of the present year, it appears that the original cost of the Erie canal was \$7,143,789 86 That of the Erie canal enlargement, 12,648,851 76

> Total. **\$**19,793,641 **62**

Of this sum, probably six and a half or seven millions were expended west of Syracuse. By the same Report it appears that the cost of the Oswego canal was \$565,437 35. Legislature, after expending six or seven millions upon the Erie canal west of Syracuse, would never have constructed the Oswego canal at the expense of half a million to deprive the former of its whole trade and income. If they would not do this of their own action, will they permit the same result to be reached by means of an English canal constructed by the English government upon colonial territory? Will they permit this to be done especially when this State is heavily incumbered with debt, incurred for these very structures, and absolutely requiring all the income which properly belongs to them, to relieve her from debt and her citizens from taxation? The bare suggestion of such propositions is sufficient to indicate the proper answer.

This State does not, in its Legislation upon other subjects. yield anything to any fancied natural right to carry property upon any structure over which the State has any control. to the injury of the revenue of her canals. The Railroads through the State, along the line of the Erie canal furnish a mode of transport for property upon which the State has not expended one dollar, but over which the Legislature retains control, yet the State will not permit property to be transported over these Railroads, even in the winter when the canals are closed by frost, without payment of tolls to the State to the same amount as if canal transportation had been employed. This feature in our legislation practically indicates the view which the Legislatuae entertain as to their right and

duty to guard the canal income from diminution.

Can the citizens of the Western States justly complain of any such discrimination in our own canal tolls? When the Erie canal was constructed, those States were thinly populated, with no facilities for reaching a market with their surplus

products, except at an expense which would render them almost valueless to the producer. The opening of the Erie eanal let in a tide of population upon this fertile territory, furnished it with a market of cheap and convenient access, and it has consequently advanced in population and improvement with strides of unexampled rapidity. Much of this great and rapid advance is due to the Erie canal, and it is certainly no hardship if they are required by the means of discriminating tolls to contribute towards defraying the expense of that structure which has contributed so largely to their wealth and

prosperity.

They certainly cannot claim or expect that their products should be admitted to our own markets through our own artificial channels of communication, upon more favorable terms than the products of our own citizens. They cannot justly feel offended or injured if our own Legislature should so discriminate in the tolls upon our own canals, as to place our own citizens, not upon any better terms. but simply upon an equality with the citizens of other States. This is the most that is proposed, simply that no advantage shall be given through the means of our own canal tolls, to the property of other States over that of the citizens of our own State; that there shall be only equality; and it would seem plain that a considerate Legislature could not refuse to grant thus much to its own constituents. The justice of countervailing legislation to counteract the influence of the Welland canal upon the income of this State and the property and business of its citizens, we think is satisfactorily established.

But is it good policy to apply such legislative remedy? In our view there can be no sound objection to it, unless its application should have the effect to lose to the State or seriously diminish the amount of the western trade. The leading object of our canal policy has been to secure a large portion of this great and splendid prize. It is to be conceded that the Legislature should take no action which would, in its consequences, drive the western trade from our own channels of conveyance, and thus deprive the State both of trade and income. In our opinion, no mode of legislative action herein indicated or suggested, would in its consequences result in the loss or material diminution of that trade. The St. Lawrence route, from its connection with British Colonial improvements and the Welland canal, seems to be the channel pointed out by means of which a diversion might be apprehended. It is indeed true that a very considerable amount of

wheat corn, flour and provisions of American production finds its way to Montreal or some other Canadian market. But it is equally true that such products are consumed in Canada to enable that colony to export its own productions to the mother country, or that it there acquires a colonial character, under which it may be exported to England upon more favorable terms as to duties than would be allowed to Amer-This is beneficial to our agriculturlists, as it ican produce. affords them a new market rather than a new channel for taking to market their productions. From the difficulties and dangers of the navigation of the Gulf of St. Lawrence; from the few months in the year in which that Gulf is navigable at all; and from the expenses and risks attending such hazardous navigation, it is next to impossible that this route, should to any considerable degree, become the channel of trade for American produce to an English or other foreign market. If American produce, in passing through Canada, can be permitted to assume a colonial character, and thus obtain admission in an English port, at a much lower rate of duties, it would pass that way if our own canals were entirely free. When such is the case, our farmers will seek their English market, not in England, but in Canada, an English Colony. If, however, there is any real danger that an increase of the tolls on the Oswego canal will divert any considerable portion of the western trade, that fact speaks irresistibly of the necessity of reducing the tolls upon the Erie canal. If the fact is so, no considerable portion of such trade will pass the whole length of the Erie canal, at the greater expense with which it is charged by reason of the higher tolls, and the tolls upon it should be reduced as speedily as possible to an equality with But as we have before said, we can perthe other route. ceive no reasonable ground of apprehension of any such loss or diversion.

It is, however, to be taken into serious consideration by the Legislature and those interested in the business and prosperity of the State, that there are rival routes, which are and will be vigorously competing with us for this great prize, the western trade. The States, however, under whose auspices such channels of trade have been and are being constructed, are feebler in pecuniary resources than is the State of New York. None of them as yet receive so large an income from their public works already completed as does the State of New York. The State of New York has therefore an obvious advantage in such competition, and the policy dictated by a

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The second convention.

